

<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
DEPARTMENT OF TREASURY						
<u>EXECUTIVE DIRECTION</u>						
1. Unclassified Positions The Executive maintains current year funding levels	FTEs Gross Restricted GF/GP	9.0 \$812,600 244,700 \$567,900	0.0 \$0 0 \$0			
2. Office of the Director Employee-Related Economic Increases The Executive includes additional funding to cover increased staff salary, insurance, and retirement costs.	FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP	5.0 \$820,900 112,000 \$708,900 0.0 \$12,900 (1,000) \$13,900	0.0 \$12,900 (1,000) \$13,900 0.0 \$12,900 (1,000) \$13,900			
SUBTOTAL - EXECUTIVE DIRECTION	FTEs Gross Restricted GF/GP	14.0 \$1,633,500 356,700 \$1,276,800	0.0 \$12,900 (1,000) \$13,900			
<u>DEPARTMENTWIDE APPROPRIATIONS</u>						
1. Travel The Executive maintains current year funding.	FTEs Gross Restricted GF/GP	0.0 \$1,415,900 1,088,500 \$327,400	0.0 \$0 0 \$0			

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2. Rent and Building Occupancy Charges - Property Management Services a. Economic Adjustments The Executive reduces funding for Building Occupancy Charges by \$328,200 b. Hazel Street Facility Rent Charges The Executive reduces funding for rent charges by \$92,500 to reflect the transfer of funding for rent on the Hazel Street Warehouse Facility to the Department of History, Arts, and Libraries.	Phone: 373-8080	FTEs Gross Restricted GF/GP	0.0 \$5,715,300 2,276,100 \$3,439,200	0.0 (\$420,700) (128,000) (\$292,700)		
3. Workers' Compensation Insurance Premium Economic Adjustments The Executive increases funding for worker's compensation insurance premiums by \$31,000.		FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP	0.0 \$216,000 216,000 \$0 0.0 \$31,000 31,000 \$0	0.0 \$31,000 31,000 \$0 0.0 \$31,000 31,000 \$0		
SUBTOTAL - DEPARTMENTWIDE APPROPRIATIONS		FTEs Gross Restricted GF/GP	0.0 \$7,347,200 3,580,600 \$3,766,600	0.0 (\$389,700) (97,000) (\$292,700)		



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LOCAL GOVERNMENT PROGRAMS

1. Supervision of the General Property Tax Law

FTEs	83.0	1.0
Gross	\$13,411,200	(\$2,561,600)
Local	90,000	0
Restricted	6,967,200	(2,938,100)
GF/GP	\$6,354,000	\$376,500

a. Employee-Related Economic Increases

The **Executive** includes additional funding for increased salaries and wages, retirement, and insurance.

FTEs	0.0
Gross	\$380,700
Restricted	61,900
GF/GP	\$318,800

b. Transfer to Program Management

The **Executive** reduces funding by \$50,000 to reflect transfer of funds for the new Program Management line item.

FTEs	0.0
Gross	(\$50,000)
GF/GP	(\$50,000)

c. Land Reutilization Fund

The **Executive** reduces funding from the Land Reutilization Fund, which supports the department's activities concerning delinquent property taxes and tax reversion, to reflect actual program costs.

FTEs	0.0
Gross	(\$3,000,000)
Restricted	(3,000,000)
GF/GP	\$0

d. Early Retirement Sick Leave Payments


The **Executive** reduces funding by \$42,300 GF/GP for payments associated with early retirement sick leave payouts. Employees who retired under the 2002 Early Out received sick leave payments over a five-year period. FY 2007 was the last year of payments.

FTEs	0.0
Gross	(\$42,300)
GF/GP	(\$42,300)

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<div>e. Neighborhood Enterprise Zone Act</div> <div>The Executive adds 1.0 FTE for administration of the Neighborhood Enterprise Zone Act.</div>		FTEs Gross GF/GP		1.0 \$150,000 \$150,000		
<div>2. Property Tax Assessor Training</div> <div><div>a. Employee-Related Economic Increases</div><div>The Executive includes additional funding for increases in salaries and wages and insurance, and reduces funding for retirement costs.</div></div>		FTEs Gross Local GF/GP	4.0 \$412,300 412,300 \$0	0.0 \$10,800 10,800 \$0		
		FTEs Gross Local GF/GP		0.0 \$10,800 10,800 \$0		
<div>3. Local Finance</div> <div><div>a. Employee-Related Economic Increases</div><div>The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.</div><div>b. Renames Line Item</div><div>The Executive changes the name of this line item from "Local Finance" to "Local Government Operations".</div></div>		FTEs Gross Local Restricted GF/GP	19.0 \$2,338,300 563,900 458,200 \$1,316,200	0.0 \$93,800 23,700 19,500 \$50,600		
		FTEs Gross Local Restricted GF/GP		0.0 \$93,800 23,700 19,500 \$50,600		
		FTEs Gross Local Restricted				

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SUBTOTAL - LOCAL GOVERNMENT PROGRAMS	FTEs Gross Local Restricted GF/GP	106.0 \$16,161,800 1,066,200 7,425,400 \$7,670,200	1.0 (\$2,457,000) 34,500 (2,918,600) \$427,100			
<u>TAX PROGRAMS</u>						
1. Customer Contact	FTEs Gross IDG Restricted GF/GP	186.0 \$13,866,500 5,612,400 8,254,100 \$0	0.0 (\$137,000) (457,600) 320,600 \$0			
a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.	FTEs Gross IDG Restricted GF/GP	0.0 \$553,800 233,200 320,600 \$0				
b. Michigan Transportation Fund (MTF) IDG Reduction The Executive reduces from the Michigan Transportation Fund IDG to reflect an anticipated reduction in MTF revenue collected	FTEs Gross IDG GF/GP	0.0 (\$690,800) (690,800) \$0				
2. Tax Compliance	FTEs Gross Restricted GF/GP	338.0 \$30,675,700 30,675,700 \$0	(3.0) \$995,600 995,600 \$0			

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a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross Restricted GF/GP		0.0 \$1,260,800 1,260,800 \$0		
b. Transfer to Program Management The Executive transfers 3.0 FTE positions and \$265,200 to the new Program Management line item.		FTEs Gross Restricted GF/GP		(3.0) (\$265,200) (265,200) \$0		
3. Tax Policy		FTEs Gross Restricted GF/GP	38.0 \$4,496,200 4,496,200 \$0	15.5 \$1,583,600 148,900 \$1,434,700		
a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross Restricted GF/GP		0.0 \$198,000 148,900 \$49,100		
b. Transfer from Economic and Revenue Forecasting The Executive transfers 15.5 FTE positions and \$1,401,400 from the eliminated Economic and Revenue Forecasting line to this line item.		FTEs Gross GF/GP		15.5 \$1,401,400 \$1,401,400		
c. Early Retirement Sick Leave Payments The Executive reduces funding by \$15,800 for payments associated with early retirement sick leave payouts. Employees who retired under the 2002 Early Out received sick leave payments over a five-year period. FY 2007 was the last year of payments.		FTEs Gross GF/GP		0.0 (\$15,800) (\$15,800)		

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d. Renames Line Item The Executive changes the name of the line item from "Tax Policy" to "Tax and Economic Policy" to more accurately reflect the department's organizational structure.		FTEs Gross GF/GP				
4. Revenue Enhancement Program a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement. b. Program Reduction The Executive decreases baseline funding for the revenue enhancement program by \$700,000. c. Personal Property Tax Audits Reduction The Executive decreases FTE authorization for personal property tax audits by 5.0 FTE positions and funding by \$500,000 based on the 3-year funding proposal established in FY 2006. d. Phased Increase The Executive includes an additional \$383,200 in funding based on a phased increase from the 3-year funding proposal established in FY 2006.		FTEs Gross GF/GP	50.0 \$5,856,800 \$5,856,800	(5.0) (\$589,400) (\$589,400)		
		FTEs Gross GF/GP		0.0 \$227,400 \$227,400		
		FTEs Gross GF/GP		0.0 (\$700,000) (\$700,000)		
		FTEs Gross GF/GP		(5.0) (\$500,000) (\$500,000)		
		FTEs Gross GF/GP		0.0 \$383,200 \$383,200		



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5. Tax Processing

FTEs	150.0	(3.0)
Gross	\$15,141,300	(\$127,700)
IDG	2,758,100	(245,000)
Restricted	12,383,200	117,300
GF/GP	\$0	\$0

a. Employee-Related Economic Increases

The **Executive** includes additional funding for increases in salaries and wages, insurance, and retirement.

FTEs	0.0
Gross	\$467,700
IDG	95,200
Restricted	372,500
GF/GP	\$0

b. Transfer to Program Management

The **Executive** transfers 3.0 FTE positions and \$265,200 to the new Program Management line.

FTEs	(3.0)
Gross	(\$265,200)
Restricted	(265,200)
GF/GP	\$0

c. Michigan Transportation Fund Adjustment

The **Executive** reduces funding from the Michigan Transportation Fund IDG to reflect an anticipated reduction in MTF revenue collected.

FTEs	0.0
Gross	(\$340,200)
IDG	(340,200)
GF/GP	\$0


d. Transfer of Information Technology Staff

The **Executive** transfers 1.0 FTE position and \$125,000 from the Department of Information Technology.

FTEs	1.0
Gross	\$125,000
Restricted	125,000
GF/GP	\$0

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e. Tranfer of Tax Forms Staff The Executive transfers 1.0 FTE position and \$115,000 from the Tax Processing line to the Human Resources and Purchasing line (Administrative Services Bureau, Departmental Services Division, Forms and Documents Section).		FTEs Gross Restricted GF/GP		(1.0) (\$115,000) (115,000) \$0		
6. Home Heating Assistance Economic Adjustments The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross Federal GF/GP	0.0 \$2,101,300 2,101,300 \$0	0.0 \$58,500 58,500 \$0		
		FTEs Gross Federal GF/GP		0.0 \$58,500 58,500 \$0		
7. Bottle Bill Implementation The Executive maintains current year funding levels		FTEs Gross Restricted GF/GP	0.0 \$250,000 250,000 \$0	0.0 \$0 0 \$0		
8. New Hire Reporting Transfer to Department of Human Services The Executive eliminates this line item and transfers funding to the Department of Human Services. Employers are required to report new hires to the state, which uses the information to identify persons who owe child support or receive public assistance or unemployment compensation.		FTEs Gross IDG GF/GP	0.0 \$1,545,000 1,545,000 \$0	0.0 (\$1,545,000) (1,545,000) \$0		
		FTEs Gross IDG GF/GP		0.0 (\$1,545,000) (1,545,000) \$0		

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9. Tobacco Tax Collection Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs 4.0 Gross \$332,000 Restricted 332,000 GF/GP \$0		0.0 \$16,500 16,500 \$0		
		FTEs Gross Restricted GF/GP		0.0 \$16,500 16,500 \$0		
SUBTOTAL - TAX PROGRAMS		FTEs 766.0 Gross \$74,264,800 IDG 9,915,500 Federal 2,101,300 Restricted 56,391,200 GF/GP \$5,856,800		4.5 \$255,100 (2,247,600) 58,500 1,598,900 \$845,300		
<u>BANKING AND MANAGEMENT SERVICES</u>						
1. Human Resources Optimization User Charges Technical Adjustment The Executive includes additional funding for HR Optimization.		FTEs 0.0 Gross \$82,900 GF/GP \$82,900		0.0 \$2,300 \$2,300		
		FTEs Gross GF/GP		0.0 \$2,300 \$2,300		
2. Human Resources, Program Management, Purchasing		FTEs 30.0 Gross \$3,039,000 Restricted 181,100 GF/GP \$2,857,900		(3.0) (\$197,700) 131,000 (\$328,700)		
		FTEs Gross Restricted GF/GP		(3.0) (\$197,700) 131,000 (\$328,700)		

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a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross Restricted GF/GP		0.0 \$145,900 16,000 \$129,900		
b. Transfer to Program Management The Executive transfers 4.0 FTE positions and \$442,800 to the new Program Management line.		FTEs Gross GF/GP		(4.0) (\$442,800) (\$442,800)		
c. Transfer of Tax Forms Staff The Executive transfers 1.0 FTE position and \$115,000 from the Tax Processing line to the Human Resources and Purchasing line (Administrative Services Bureau, Departmental Services Division, Forms and Documents Section).		FTEs Gross Restricted GF/GP		1.0 \$115,000 115,000 \$0		
d. Early Retirement Sick Leave Payments The Executive reduces funding by \$15,800 for payments associated with early retirement sick leave payouts. Employees who retired under the 2002 Early Out received sick leave payments over a five-year period. FY 2007 was the last year of payments.		FTEs Gross GF/GP		0.0 (\$15,800) (\$15,800)		
e. Rename Line Item The Executive changes the name of this line item from "Human Resources, Program Management, and Purchasing" to "Human Resources and Purchasing" to more accurately reflect the department's organizational structure.		FTEs Gross Restricted GF/GP				



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3. Program Management

****NEW LINE ITEM****

The **Executive** creates a new line item for the Department's Bureau of Program Management to more accurately reflect the department's organizational structure. The bureau's main activities include strategic planning, budget control, project management, and security.

a. Employee-Related Economics

The **Executive** includes additional funding for increases in salaries and wages, insurance, and retirement.

b. Supervision of the General Property Tax Law

The **Executive** transfer \$50,000 from the Supervision of the General Property Tax Law line (Local Government Programs).

c. Tax Compliance

The **Executive** transfers 3.0 FTE positions and \$265,200 from the Tax Compliance line (Tax Programs).

d. Tax Processing

The **Executive** transfers 3.0 FTE positions and \$265,200 from the Tax Processing line (Tax Programs).

e. HR, Program Management, and Purchasing

The **Executive** transfers 4.0 FTE positions and \$442,800 from the Human Resources and Purchasing line (Banking and Management Services).

FTEs
Gross
Restricted
GF/GP

FTEs
Gross
Restricted
GF/GP

FTEs
Gross
GF/GP

FTEs
Gross
Restricted
GF/GP

FTEs
Gross
Restricted
GF/GP

FTEs
Gross
GF/GP

13.0
\$1,570,000
1,007,900
\$562,100

0.0
\$61,600
42,300
\$19,300

0.0
\$50,000
\$50,000

3.0
\$265,200
265,200
\$0

3.0
\$265,200
265,200
\$0


4.0
\$442,800
\$442,800


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f. Collections The Executive transfers 3.0 FTE positions and \$435,200 from the Collections line (Banking and Management Services).		FTEs Gross Restricted GF/GP		3.0 \$435,200 435,200 \$0		
g. Student Financial Assistance Program The Executive transfers \$50,000 from the Student Financial Assistance Programs line (Financial Programs).		FTEs Gross GF/GP		0.0 \$50,000 \$50,000		
4. Mail Operations		FTEs Gross GF/GP	20.0 \$2,077,900 \$2,077,900	0.0 (\$17,300) (\$17,300)		
a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross GF/GP		0.0 \$114,400 \$114,400		
b. Program Reduction The Executive reduces baseline funding for this line item by \$100,000.		FTEs Gross GF/GP		0.0 (\$100,000) (\$100,000)		
c. Early Retirement Sick Leave Payments The Executive reduces funding by \$31,700 for payments associated with early retirement sick leave payouts. Employees who retired under the 2002 Early Out received sick leave payments over a five-year period. FY 2007 was the last year of payments.		FTEs Gross GF/GP		0.0 (\$31,700) (\$31,700)		

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5. Economic and Revenue Forecasting		FTEs Gross GF/GP	15.5 \$1,401,400 \$1,401,400	(15.5) (\$1,401,400) (\$1,401,400)		
Transfer to Tax Policy The Executive eliminates this line item and transfers FTE positions and associated funding to the Tax Policy line item.		FTEs Gross GF/GP		(15.5) (\$1,401,400) (\$1,401,400)		
6. Unclaimed Property		FTEs Gross Restricted GF/GP	21.0 \$3,438,100 3,438,100 \$0	0.0 \$56,700 56,700 \$0		
Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross Restricted GF/GP		0.0 \$56,700 56,700 \$0		
7. Collections		FTEs Gross IDG Restricted GF/GP	170.0 \$16,833,500 2,909,600 13,175,200 \$748,700	(2.0) \$273,800 29,000 330,100 (\$85,300)		
a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross IDG Restricted GF/GP		0.0 \$559,000 29,000 515,300 \$14,700		

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b. Program Reduction The Executive reduces baseline funding for this line item by \$100,000.		FTEs Gross GF/GP		0.0 (\$100,000) (\$100,000)		
c. Cybershame The Executive adds funding for 1.0 FTE position and CSS&M for the cybershame program to post the names of taxpayers with a significant tax delinquency on the Internet. Statutory change is necessary to disclose names.		FTEs Gross Restricted GF/GP		1.0 \$250,000 250,000 \$0		
d. Transfer to Program Management The Executive transfers 3.0 FTE positions and \$435,200 from the Collections line to the new Program Management line.		FTEs Gross Restricted GF/GP		(3.0) (\$435,200) (435,200) \$0		
8. Finance and Accounting		FTEs Gross IDG Restricted GF/GP	32.0 \$1,635,300 59,300 1,576,000 \$0	0.0 \$97,900 2,400 95,500 \$0		
Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross IDG Restricted GF/GP		0.0 \$97,900 2,400 95,500 \$0		

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9. Receipts Processing Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs 40.0 Gross \$2,841,500 IDG 249,500 Restricted 2,101,900 GF/GP \$490,100		0.0 \$126,200 11,100 95,300 \$19,800		
		FTEs 0.0 Gross \$126,200 IDG 11,100 Restricted 95,300 GF/GP \$19,800				
SUBTOTAL - BANKING AND MANAGEMENT SERVICES		FTEs 328.5 Gross \$31,349,600 IDG 3,218,400 Restricted 20,472,300 GF/GP \$7,658,900		(7.5) \$510,500 42,500 1,716,500 (\$1,248,500)		
<u>FINANCIAL PROGRAMS</u>						
1. Investments a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs 78.0 Gross \$14,426,700 Restricted 14,426,700 GF/GP \$0		0.0 \$657,900 657,900 \$0		
		FTEs 0.0 Gross \$557,900 Restricted 557,900 GF/GP \$0				

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b. Defined Contribution Administrative Fee Revenue The Executive includes \$100,000 from an administrative fee charged to the retirement funds to hire outside consultants to assist the state retirement system with a range of investment activities.		FTEs Gross Restricted GF/GP		0.0 \$100,000 100,000 \$0		
2. Michigan Merit Award Administration a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement. b. Program Reduction The Executive reduces baseline funding for the line by \$100,000.		FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP	5.0 \$1,544,200 1,544,200 \$0 0.0 \$24,700 24,700 \$0 0.0 (\$100,000) (100,000) \$0	0.0 (\$75,300) (75,300) \$0 0.0 \$24,700 24,700 \$0 0.0 (\$100,000) (100,000) \$0		
3. Michigan Education Savings Program The Executive reduces funding for the MESP to reflect lower contribution match requirements.		FTEs Gross Restricted GF/GP	0.0 \$1,000,000 1,000,000 \$0	0.0 (\$200,000) (200,000) \$0		
4. Common Cash and Debt Management		FTEs Gross IDG Restricted GF/GP	11.5 \$1,201,500 167,700 747,200 \$286,600	0.0 \$45,500 0 35,300 \$10,200		

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Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.	FTEs Gross Restricted GF/GP		0.0 \$45,500 35,300 \$10,200			
5. Student Financial Assistance Programs a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement. b. Transfer to Program Management The Executive transfers \$50,000 to the new Program Management line.	FTEs Gross Federal Restricted GF/GP FTEs Gross Federal Restricted GF/GP FTEs Gross GF/GP	118.5 \$35,298,200 33,272,100 456,200 \$1,569,900 213.0 \$53,470,600 167,700 33,272,100 18,174,300 \$1,856,500	0.0 \$449,700 429,900 14,500 \$5,300 0.0 \$499,700 429,900 14,500 \$55,300 0.0 (\$50,000) (\$50,000)			
SUBTOTAL - FINANCIAL PROGRAMS	FTEs Gross IDG Federal Restricted GF/GP	213.0 \$53,470,600 167,700 33,272,100 18,174,300 \$1,856,500	0.0 \$877,800 0 429,900 432,400 \$15,500			

GENERAL GOVERNMENT

Phone: 373-8080

Changes from FY 2006-07 YTD

**EXECUTIVE
Recommendation
(02/08/07)**

**SENATE
Passed
(Date)**

**HOUSE
Passed
(Date)**

Employee-Related Economic Increases

FTEs
Gross
Restricted
GF/GP

0.0
\$45,500
35,300
\$10,200

5. Student Financial Assistance Programs

The **Executive** includes additional funding for increases in salaries and wages, insurance, and retirement.

FTEs
Gross
Federal
Restricted
GF/GP

118.5
\$35,298,200
 33,272,100
 456,200
 \$1,569,900

0.0
\$449,700
429,900
14,500
\$5,300

a. Employee-Related Economic Increases

FTEs
Gross
Federal
Restricted
GF/GP

0.0
\$499,700
429,900
14,500
\$55,300

b. Transfer to Program Management

FTEs
Gross
GF/GP

0.0
(\$50,000)
(\$50,000)

SUBTOTAL - FINANCIAL PROGRAMS

213.0
\$53,470,600
 167,700
 33,272,100
 18,174,300
 \$1,856,500


0.0
\$877,800
0
429,900
432,400
\$15,500


<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
<u>DEBT SERVICE</u>						
1. Water Pollution Control Board and Interest Redemption The Executive reduces funding based on debt service obligations.		FTEs Gross GF/GP	0.0 \$2,458,200 \$2,458,200	0.0 (\$71,800) (\$71,800)		
2. Quality of Life Bond The Executive includes additional funding based on debt service obligations.		FTEs Gross Restricted GF/GP	0.0 \$59,300,000 20,341,000 \$38,959,000	0.0 \$1,600,000 0 \$1,600,000		
3. Clean Michigan Initiative a. Schedule Adjustment The Executive includes additional funding to cover costs of debt service obligations on existing bond issues. b. New Bond Issues The Executive includes additional funding to cover costs of new CMI bond issues.		FTEs Gross Restricted GF/GP FTEs Gross GF/GP FTEs Gross GF/GP	0.0 \$36,900,000 3,573,500 \$33,326,500 0.0 \$5,000,000 \$5,000,000 0.0 \$8,100,000 \$8,100,000	0.0 \$13,100,000 0 \$13,100,000 0.0 \$5,000,000 \$5,000,000 0.0 \$8,100,000 \$8,100,000		
4. Great Lakes Water Quality Bond		FTEs Gross GF/GP	0.0 \$1,500,000 \$1,500,000	0.0 \$5,200,000 \$5,200,000		

<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
a. Schedule Adjustment The Executive includes additional funding to cover the cost of debt service obligation on existing bond issues.		FTEs Gross GF/GP		0.0 \$900,000 \$900,000		
b. New Bond Issues The Executive includes additional funding to cover the cost of debt service obligations on new GLWQ issues.		FTEs Gross GF/GP		0.0 \$4,300,000 \$4,300,000		
SUBTOTAL - DEBT SERVICE		FTEs Gross Restricted GF/GP	0.0 \$100,158,200 23,914,500 \$76,243,700	0.0 \$19,828,200 0 \$19,828,200		
<u>GRANTS</u>						
1. Grants to Counties in Lieu of Taxes The Executive maintains current-year funding level.		FTEs Gross GF/GP	0.0 \$5,000 \$5,000	0.0 \$0 \$0		
2. Convention Facility Development Distribution The Executive maintains current-year funding level based on estimated Convention Facility Development Fund revenue collections.		FTEs Gross Restricted GF/GP	0.0 \$58,850,000 58,850,000 \$0	0.0 \$0 0 \$0		
3. Senior Citizen Cooperative Housing Tax Exemption Program The Executive maintains current-year funding level.		FTEs Gross GF/GP	0.0 \$18,800,000 \$18,800,000	0.0 \$0 \$0		

<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
	Phone: 373-8080					
4. Commercial Mobile Radio Service Payments The Executive maintains current-year funding level. The program sunsets on December 31, 2007; statutory change is needed extend program.		FTEs Gross Restricted GF/GP	0.0 \$17,900,000 17,900,000 \$0	0.0 \$0 0 \$0		
5. Health and Safety Fund Grants The Executive maintains current-year funding level based on estimated Health and Safety Fund revenue collections.		FTEs Gross Restricted GF/GP	0.0 \$25,000,000 25,000,000 \$0	0.0 \$0 0 \$0		
6. Local Public Safety Grants **NEW LINE ITEM** The Executive creates a new grant program to provides grants to local units for law enforcement and fire protection services. Funding is based on the number of prisoners (from Department of Corrections prisoner intake data) residing in the local unit prior to incarceration; minimum grant is \$100,000; funding contingent on increase in liquor license fees.		FTEs Gross Restricted GF/GP		0.0 \$14,381,000 14,381,000 \$0		
7. Renaissance Zone Reimbursement The Executive includes additional funding for renaissance zone reimbursement to local public libraries.		FTEs Gross GF/GP	0.0 \$2,630,000 \$2,630,000	0.0 \$465,000 \$465,000		
8. Qualified Agricultural Loan Payments The Executive eliminates this line item. The department makes loan subsidy payments to banks for loans made to farmers who suffered an agricultural loss. Loans were issued through October 1, 2002 and could not have a term longer than five years.		FTEs Gross GF/GP	0.0 \$2,500,000 \$2,500,000	0.0 (\$2,500,000) (\$2,500,000)		


<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
SUBTOTAL - GRANTS		FTEs Gross Restricted GF/GP	0.0 \$125,685,000 101,750,000 \$23,935,000	0.0 \$12,346,000 14,381,000 (\$2,035,000)		
<u>STATE LOTTERY</u>						
1. Lottery Operations		FTEs Gross Restricted GF/GP	173.0 \$19,326,100 19,326,100 \$0	2.0 \$926,400 926,400 \$0		
a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross Restricted GF/GP	0.0 \$547,000 547,000 \$0	0.0 \$547,000 547,000 \$0		
b. Rent and Building Occupancy Charges The Executive includes additional funding to cover increased building occupancy charges.		FTEs Gross Restricted GF/GP	0.0 \$240,400 240,400 \$0	0.0 \$240,400 240,400 \$0		
c. Workers Compensation Insurance The Executive reduces funding for workers compensation insurance premiums.		FTEs Gross Restricted GF/GP	0.0 (\$11,000) (11,000) \$0	0.0 (\$11,000) (11,000) \$0		

	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
d. Club Keno Expansion The Executive includes additional funding for 2.0 FTE positions to expand the Club Keno game to private organizations with a Club Liquor License (fraternal organizations, etc); revenue increase to School Aid Fund is estimated at \$15.0 million.		FTEs Gross Restricted GF/GP		2.0 \$150,000 150,000 \$0		
2. Promotion and Advertising The Executive maintains current-year funding levels.		FTEs Gross Restricted GF/GP	0.0 \$18,622,000 18,622,000 \$0	0.0 \$0 0 \$0		
3. Lottery Information Technology Services and Projects a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement. b. Program Reduction The Executive reduces IT funding by \$37,000 as part of its administrative reduction plan. c. HR Optimization IT Reduction The Executive reduces funding for hardware and software costs related to human resources optimization.		FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP	0.0 \$4,497,300 4,497,300 \$0 0.0 \$104,000 104,000 \$0 0.0 (\$37,000) (37,000) \$0 0.0 (\$14,700) (14,700) \$0	0.0 \$52,300 52,300 \$0 0.0 \$104,000 104,000 \$0 0.0 (\$37,000) (37,000) \$0 0.0 (\$14,700) (14,700) \$0		

	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
4. Human Resources Optimization User Charges The Executive increases funding.		FTEs Gross Restricted GF/GP	0.0 \$10,600 10,600 \$0	0.0 \$300 300 \$0		
SUBTOTAL - STATE LOTTERY		FTEs Gross Restricted GF/GP	173.0 \$42,456,000 42,456,000 \$0	2.0 \$979,000 979,000 \$0		
<u>CASINO GAMING</u>						
1. Michigan Gaming Control Board The Executive maintains current-year funding levels.		FTEs Gross Restricted GF/GP	0.0 \$50,000 50,000 \$0	0.0 \$0 0 \$0		
2. Casino Gaming Control Administration a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross Restricted GF/GP FTEs Gross Restricted GF/GP	106.0 \$18,376,200 18,376,200 \$0 0.0 \$558,000 558,000 \$0	0.0 \$509,600 509,600 \$0 0.0 \$558,000 558,000 \$0		

<div> <div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div> </div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
<p>b. Building Occupancy Charges The Executive reduces funding due to a reduction in costs for building occupancy charges.</p> <p>c. Workers Compensation The Executive includes additional funding for workers compensation insurance premiums.</p>		<p>FTEs Gross Restricted GF/GP</p> <p>FTEs Gross Restricted GF/GP</p>		<p>0.0 (\$49,400) (49,400) \$0</p> <p>0.0 \$1,000 1,000 \$0</p>		
<p>3. Casino Gaming Information Technology Services and Projects</p> <p>a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.</p> <p>b. Program Reduction The Executive reduces funding as part of its administrative reduction plan.</p>		<p>FTEs Gross Restricted GF/GP</p> <p>FTEs Gross Restricted GF/GP</p> <p>FTEs Gross Restricted GF/GP</p>	<p>0.0 \$1,286,000 1,286,000 \$0</p>	<p>0.0 \$34,000 34,000 \$0</p> <p>0.0 \$36,300 36,300 \$0</p> <p>0.0 (\$2,300) (2,300) \$0</p>		
<p>4. Human Resources Optimization User Charges The Executive increases funding.</p>		<p>FTEs Gross Restricted GF/GP</p>	<p>0.0 \$7,000 7,000 \$0</p>	<p>0.0 \$200 200 \$0</p>		

<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
SUBTOTAL - CASINO GAMING		FTEs Gross Restricted GF/GP	106.0 \$19,719,200 19,719,200 \$0	0.0 \$543,800 543,800 \$0		
<u>REVENUE SHARING</u>						
1. Constitutional State General Revenue Sharing Grants		FTEs Gross Restricted GF/GP	0.0 \$698,925,000 698,925,000 \$0	0.0 (\$13,458,000) (13,458,000) \$0		
a. FY 2007 Adjustment The Executive reduces funding for constitutional state revenue sharing grant payments in order to reflect figures agreed to at the January 2007 Consensus Revenue Estimating Conference.		FTEs Gross Restricted GF/GP	0.0 (\$20,082,792) (20,082,792) \$0	0.0 (\$20,082,792) (20,082,792) \$0		
b. FY 2008 Adjustment The Executive includes additional funding for constitutional state revenue sharing grant payments in order to reflect figures agreed to at the January 2007 Consensus Revenue Estimating Conference.		FTEs Gross Restricted GF/GP	0.0 \$6,624,792 6,624,792 \$0	0.0 \$6,624,792 6,624,792 \$0		
2. Statutory State General Revenue Sharing Grants		FTEs Gross Restricted GF/GP	0.0 \$407,485,000 407,485,000 \$0	0.0 (\$6,600,000) (6,600,000) \$0		

	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
a. FY 2007 Adjustment The Executive reduces funding for statutory state revenue sharing grant payments in order to reflect figures agreed to at the January 2007 Consensus Revenue Estimating Conference.		FTEs Gross Restricted GF/GP		0.0 (\$1,546,434) (1,546,434) \$0		
b. FY 2008 Adjustment The Executive reduces funding for statutory state revenue sharing grant payments in order to reflect figures agreed to at the January 2007 Consensus Revenue Estimating Conference.		FTEs Gross Restricted GF/GP		0.0 (\$5,053,566) (5,053,566) \$0		
3. Special Census Revenue Sharing Payments The Executive eliminates funding for special census revenue sharing payments to eligible cities, villages, and townships that are certified under the Glenn Steil Revenue Sharing Act.		FTEs Gross GF/GP	0.0 \$892,400 \$892,400	0.0 (\$892,400) (\$892,400)		
4. Local Government Collaborative Efforts **NEW LINE ITEM** The Executive creates a new line item to provide grants to cities, villages, and townships that share services, merge, or consolidate activities with other governmental entities; the additional funding is 2.5% of constitutional and statutory payments.		FTEs Gross Restricted GF/GP		0.0 \$27,160,000 27,160,000 \$0		
5. Special Grants The Executive maintains current year funding to restore revenue sharing reductions to cities that had emergency financial managers appointed (Highland Park).		FTEs Gross GF/GP	0.0 \$212,000 \$212,000	0.0 \$0 \$0		
6. County Revenue Sharing Payments The Executive provides revenue sharing funding to Tuscola County - the first county to exhaust its Revenue Sharing Reserve Fund.		FTEs Gross GF/GP		0.0 \$113,600 \$113,600		

<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
	Phone: 373-8080					
SUBTOTAL - REVENUE SHARING		FTEs Gross Restricted GF/GP	0.0 \$1,107,514,400 1,106,410,000 \$1,104,400	0.0 \$6,323,200 7,102,000 (\$778,800)		
<u>INFORMATION TECHNOLOGY</u>						
1. Information Technology Services and Projects		FTEs Gross IDG Federal Restricted GF/GP	0.0 \$16,726,000 446,600 532,900 11,257,600 \$4,488,900	0.0 \$175,000 8,300 11,000 90,100 \$65,600		
a. Employee-Related Economic Increases The Executive includes additional funding for increases in salaries and wages, insurance, and retirement.		FTEs Gross IDG Federal Restricted GF/GP	0.0 \$406,800 9,300 12,400 262,100 \$123,000	0.0 \$406,800 9,300 12,400 262,100 \$123,000		
b. Land Reutilization Fund The Executive reduces funding from the Land Reutilization Fund to reflect actual program costs.		FTEs Gross Restricted GF/GP	0.0 (\$20,000) (\$20,000) \$0	0.0 (\$20,000) (\$20,000) \$0		
c. Workers Compensation The Executive includes funding for workers compensation insurance premiums.		FTEs Gross GF/GP	0.0 \$1,000 \$1,000	0.0 \$1,000 \$1,000		



GENERAL GOVERNMENT

Analyst: Mark Wolf

Phone: 373-8080

Funding
Source

FY 2006-07
YEAR-TO-DATE

Changes from FY 2006-07 YTD

EXECUTIVE
Recommendation
(02/08/07)

SENATE
Passed
(Date)

HOUSE
Passed
(Date)

d. Building Occupancy Charges

The **Executive** increases funding for building occupancy charges.

FTEs
Gross
GF/GP

0.0
\$6,200
\$6,200

e. Transfer of Information Technology Staff

The **Executive** transfers 1.0 FTE position and \$125,000 to the Tax Processing line.

FTEs
Gross
Restricted
GF/GP

0.0
(\$125,000)
(125,000)
\$0

f. Program Reduction

The **Executive** reduces funding as part of its administrative reduction plan.

FTEs
Gross
IDG
Federal
Restricted
GF/GP

0.0
(\$40,200)
(1,000)
(1,400)
(27,000)
(\$10,800)

g. Early Retirement Sick Leave Payments

The **Executive** reduces funding associated with early retirement sick leave payouts. Employees who retired under the Early Out in 2002 received sick leave payouts over a five-year period; FY 2006-07 was the last year of payments

FTEs
Gross
GF/GP

0.0
(\$9,700)
(\$9,700)

h. HR Optimization

The **Executive** reduces funding for hardware and software costs for human resources optimization.

FTEs
Gross
GF/GP

0.0
(\$44,100)
(\$44,100)

<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
SUBTOTAL - INFORMATION TECHNOLOGY		FTEs Gross IDG Federal Restricted GF/GP	0.0 \$16,726,000 446,600 532,900 11,257,600 \$4,488,900	0.0 \$175,000 8,300 11,000 90,100 \$65,600		
TREASURY SUBTOTAL		FTE Gross IDG Federal Local Restricted GF/GP	1,706.5 \$1,596,486,300 13,748,200 35,906,300 1,066,200 1,411,907,800 \$133,857,800	0.0 \$39,004,800 (2,196,800) 499,400 34,500 23,827,100 \$16,840,600	0.0 \$0 0 0 0 0 \$0	0.0 \$0 0 0 0 0 \$0
MICHIGAN STRATEGIC FUND SUBTOTAL		FTEs Gross IDG Federal Private Restricted GF/GP	152.0 \$80,479,800 78,600 47,687,000 700,000 5,000 \$32,009,200	0.0 \$98,171,100 1,400 7,743,700 12,800 75,000,200 \$15,413,000	0.0 \$0 0 0 0 0 0	0.0 \$0 0 0 0 0 0
The Executive includes the MSF as a appropriation unit within the Treasury budget. In FY 2007, the MSF was included 2006 PA 345 as a separate article. See the separate decision document for further detail on the MSF budget						

<div>HOUSE</div> <div>FISCAL</div> <div>AGENCY</div>	GENERAL GOVERNMENT					
	Analyst: Mark Wolf Phone: 373-8080	Funding Source	FY 2006-07 YEAR-TO-DATE	Changes from FY 2006-07 YTD		
				EXECUTIVE Recommendation (02/08/07)	SENATE Passed (Date)	HOUSE Passed (Date)
TREASURY TOTAL		FTEs	1,858.5	0.0	0.0	0.0
		Gross	\$1,676,966,100	\$137,175,900	\$0	\$0
		IDG	13,826,800	(2,195,400)	0	0
		Federal	83,593,300	8,243,100	0	0
		Local	1,066,200	34,500	0	0
		Private	700,000	12,800	0	0
		Restricted	1,411,912,800	98,827,300	0	0
		GF/GP	\$165,867,000	\$32,253,600	\$0	\$0



GENERAL GOVERNMENT – Boilerplate

FY 2006-07
CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

DEPARTMENT OF TREASURY

New Language

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the department of management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the department of management and budget act, 1984 PA 431, MCL 18.1393.



GENERAL GOVERNMENT – Boilerplate

FY 2006-07
CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the department of management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the department of management and budget act, 1984 PA 431, MCL 18.1393.

This section authorizes the appropriation of amounts needed to pay interest, fees, principal, arbitrage rebates, and costs associated with debt service on notes and bonds, and a sufficient amount to pay interest on interfund borrowing.

Sec. 902. (1) Amounts needed to pay for interest, fees, principal, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL17.451 to 17.455, are appropriated.

Sec. 902. Retains current law.



GENERAL GOVERNMENT – Boilerplate

FY 2006-07 CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

This section authorizes the Department to contract with private collection agencies and law firms to collect taxes and other accounts due the state, authorizes the Department to contract with private collection agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency, appropriates funding for collection costs and fees, and requires a report on the agencies employed, amounts collected, costs of collection, and other pertinent information.

Sec. 903. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by the contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 22% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

Sec. 903. Retains current law.



GENERAL GOVERNMENT – Boilerplate

FY 2006-07 CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

(3) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

This section authorizes the Department to charge an investment service fee against retirement funds, requires the Department to maintain accounting records, appropriates funding to pay for services necessary to manage the retirement funds= investment portfolios, and requires a report on the performance of each portfolio.

Sec. 904. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals, the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations and the state budget office concerning the performance of each portfolio by investment advisor.

Sec. 904. Retains current law.



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section appropriates funds to pay expenditures for financial services provided by financial institutions through restricting revenue from common cash interest earnings and investment earnings.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions as provided under section 1 of 1861 PA 111, MCL 21.181

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures.

Sec. 905. Retains current law.

This section requires the Department to sell copies of tax, accounting, general property tax law, and local government assistance manuals at a price not to exceed the cost of printing and requires proceeds from the sale of manuals to be placed in the Local Government Assistance Manual Revolving Fund.

Sec. 905. (1) The department of treasury shall sell copies of the state tax manual, uniform accounting procedures manual, general property tax law manual, and other local government assistance manuals with amendments, at a price not to exceed the cost of production. The revenue received from the sale of preparation and local government assistance manuals shall revert to the department of treasury and be placed in the local government assistance manual revolving fund

(2) In addition to the funds appropriated in part 1, revenue received from the sale of those manuals is appropriated.

Sec. 906. Retains current law



GENERAL GOVERNMENT – Boilerplate

FY 2006-07 CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section requires the Department to charge for audits, requires a report detailing audits performed and audit charges, and requires the appropriation for state compliance audits to be used to cover costs of audits performed by independent CPAs or Department of Treasury auditors.

Sec. 906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. A report detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget director and the senate and house fiscal agencies not later than November 30.

(2) The appropriation in part 1 to the department of treasury, for state compliance audits, shall be used to cover the cost of the state audits performed by independent certified public accountants or department of treasury auditors. The scope of the state audit shall be defined by the state treasurer. The state audits shall be performed by independent certified public accountants contracted with by the state treasurer or by department of treasury auditors, if the county has agreed to contract with and pay the department for their financial single audit.

(3) The state audits shall be performed for the most current county fiscal year in conjunction with the financial single audit. The state audit may be performed either by certified public accountants contracted by the state treasurer or department of treasury staff, independent of the financial single audit, if a state audit has not been performed within the last 3 years

Sec. 907. Retains current law.



GENERAL GOVERNMENT – Boilerplate

FISCAL AGENCY	FY 2006-07 CURRENT LAW	FY 2007-08		
		EXECUTIVE	SENATE	HOUSE
<p><i>This section authorizes the Department to use the Assessor Certification and Training Fund to operate the Property Assessor Certification and Training program, assesses fees to be paid by participants, which are to cover expenses incurred in offering programs, and requires fees collected to be credited to the Assessor Certification and Training Fund.</i></p> <p>Sec. 907. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury an examination fee of \$50.00, an initial certification fee of \$50.00, an annual renewal fee of \$75.00 for levels 1 and 2, and \$125.00 for levels 3 and 4 to offset the cost of administering the certification and training program. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund</p>	<p>Sec. 908. Retains current law.</p>			
<p><i>This section requires the appropriation for the Home Heating Assistance program to be used to cover costs of administering home heating credits and the supplemental fuel cost payment program.</i></p> <p>Sec. 908. The amount appropriated in part 1 to the department of treasury, home heating assistance program, is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.</p>	<p>Sec. 909. Retains current law.</p>			
<p><i>This section directs distribution of revenue received pursuant to the Airport Parking Tax Act.</i></p> <p>Sec. 909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.</p>	<p>Sec. 910. Retains current law.</p>			



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section directs distribution of revenue received from the Bottle Deposit Fund.

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(2) of the Initiated Law of 1976, MCL 445.573c, is appropriated.

Sec. 911. Retains current law.

This section requires appropriation of income tax revenue to pay for income tax refunds.

Sec. 911. (1) There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) The appropriations under subsection (1) shall be funded by restricting income tax revenue in an amount sufficient to record these expenditures.

Sec. 912. Retains current law.

This section requires a \$6.00 fee to be paid at the time a writ of garnishment of periodic payments is served upon the State Treasurer, requires a \$6.00 fee to be paid at the time any other writ of garnishment is served upon the State Treasurer, and authorizes a reduced fee of \$5.00 to be paid if the writ is filed by magnetic media.

Sec. 912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of \$6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to \$5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 913. Retains current law.



GENERAL GOVERNMENT – Boilerplate

FY 2006-07 CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section authorizes the Department to contract with private firms to appraise and appeal assessments of senior citizen cooperative housing units and to use up to 1% of program funding for program administration and auditing.

Sec. 913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizens' cooperative housing tax exemption program, a portion is to be utilized for a program audit of the program. The department of treasury shall forward copies of the audit report to the senate and house of representatives standing committees on appropriations subcommittees on general government and to the state budget office. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 914. Retains current law.

This section authorizes the Department to make awards from the Ehlers Internship Award Account for the Rosenthal Prize for interns.

Sec. 914. The department of treasury may provide a \$200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. Retains current law.

This section appropriates funding from the general fund to the State Campaign Fund in an amount equal to the amount designated for the prior tax year.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2006. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of \$10,000,000.00 on December 31, 2006 shall revert to the general fund.

Sec. 916. Retains current law; updates fiscal year.



GENERAL GOVERNMENT – Boilerplate

HOUSE FISCAL AGENCY	GENERAL GOVERNMENT – Boilerplate			
	FY 2006-07 CURRENT LAW	FY 2007-08		
		EXECUTIVE	SENATE	HOUSE
<p><i>This section requires the Department to make available customized unclaimed property listings of non-confidential information in its possession, sets fees and directs deposits, and requires a report on the amount of revenue received from the sale of information.</i></p> <p>Sec. 916. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department shall submit an annual report on or before June 1 to the state budget director and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of information.</p>		Sec. 917. Retains current law.		
<p><i>This section appropriates funding for write-offs and advances for departmental programs, but not for more than the current-year authorizations that would otherwise lapse to the general fund and requires a report on amounts appropriated.</i></p> <p>Sec. 917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.</p> <p>(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30, stating the amounts appropriated for write-offs and advances under subsection (1).</p>		Sec. 918. Retains current law.		
<p><i>This section authorizes receipt and expenditure of funding for conducting tax orientation workshops and seminars.</i></p> <p>Sec. 918. In addition to funds appropriated in part 1, the department of treasury may receive and expend funds for conducting tax orientation workshops and seminars. Funds received may not exceed costs incurred in conducting the workshops and seminars.</p>		Sec. 919. Retains current law.		



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section authorizes the Department to contract with private auditing firms to audit for and collect unclaimed property due the state and requires a report on the firms employed, amounts collected, and costs of collection.

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the Michigan uniform unclaimed property act. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 921. Retains current law.

This section authorizes grants to counties in lieu of taxes for lands transferred to the federal government, to include a payment for Sleeping Bear Dunes National Lakeshore.

Sec. 920. Payments from the appropriation in part 1 to the department of treasury for grants to counties in lieu of taxes for lands transferred to the federal government include a payment for Sleeping Bear Dunes national lakeshore under 1974 PA 359, MCL 3.901 to 3.910.

Sec. 920. Retains current law.



GENERAL GOVERNMENT – Boilerplate

FY 2006-07 CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section requires reimbursement payments to be made to public libraries for property taxes levied in the prior tax year.

Sec. 921. The state general fund/general purpose appropriation in part 1 for renaissance zone reimbursement is allocated to reimburse public libraries as provided by section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for property taxes levied in 2006. Reimbursements shall be made in amounts to each eligible recipient not later than 60 days after the department of treasury has received all necessary information to properly determine the amounts due each eligible recipient under section 12(4) of the Michigan renaissance zone act, 1996 PA 376, MCL125.2692. Any excess allocations shall lapse to the general fund.

Sec. 922. Modifies current law; adds "certifies that it" after "Department of Treasury." Doesn't update the tax year for which payments are made, but should.

This section requires the Department to submit a report on the amount of Michigan Transportation Fund revenues collected and costs of collection.

Sec. 922. The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by November 30 stating the amount of Michigan transportation fund revenue collected and the cost of collection.

Sec. 923. Retains current law.

This section appropriates Homestead Property Tax Audit Fund revenues for costs of audits and requires a report on the amount of revenue appropriated.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than December 31, stating the amount of revenue appropriated for principal residence audits under subsection (1).

Sec. 924. Retains current law.



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section authorizes the Department to provide receipt, warrant, and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other services on a contractual basis, and appropriates funding for services provided to support costs incurred.

Sec. 928. The department of treasury may provide receipt, warrant and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 928. Retains current law.

This section authorizes the Department to enter into agreements to supply data or collection services, to charge a fee for these services, appropriates fees collected, and authorizes fees to be used to support costs incurred for providing services.

Sec. 929. The department of treasury may enter into agreements to supply data or collection services to other executive principal departments or state agencies, the United States department of treasury, or local units of government within this state. The department of treasury shall charge for this tax data service and amounts received are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the service. Any unobligated balance of the fund shall revert to the general fund of this state as of September 30.

Sec. 929. Retains current law.



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section requires the Department to provide accounts receivable collections services to other state departments, authorizes the Department to deduct a fee equal to the cost of collections, requires the Department to maintain accounting records, and requires a report on agencies served, funds collected, and costs of collection.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30, stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 930. Retains current law.



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section requires the appropriation for treasury fees to be assessed against all restricted funds and requires a report which identifies the fees assessed.

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget director, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund..

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in common cash earnings during the current fiscal year. When a new restricted fund is created starting on or after October 1, that restricted fund shall be assessed a fee using the same criteria identified in subsection (1).

Sec. 931. Retains current law.

This section authorizes the Department to expend revenues received under the Michigan Education Trust Act for operational expenses and for grants to the Civil Service Commission and State Employees' Retirement Fund.

Sec. 932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 932. Retains current law.



GENERAL GOVERNMENT – Boilerplate

FY 2006-07 CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section requires Michigan Education Savings Program funding to be used to provide a state match to dollars invested on behalf of children named as beneficiaries, 6 years of age or less and Michigan residents; requires the state to provide \$1.00 of matching funds for each \$3.00 of contributions, with a maximum match of \$200; and authorizes state match to be available only in the first year of enrollment in the program.

Sec. 933. (1) The \$1,000,000.00 appropriated in part 1 for the Michigan education savings program is from the Michigan merit award trust fund to fund an incentive program for the Michigan education savings program created under the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486.

(2) The funds appropriated for the Michigan education savings program shall be used to provide a state match to dollars invested on behalf of each child named as a designated beneficiary in the Michigan education savings program who is 6 years of age or less, who is a Michigan resident, and whose family's income is \$80,000.00 or less.

(3) During the current fiscal year, the state shall provide \$1.00 of matching funds for each \$3.00 of individual contributions to the educational savings accounts. The maximum state match for each designated beneficiary shall be \$200.00.

(4) The state match shall be available only in the first year the child is enrolled in the Michigan education savings program

Sec. 933. Modifies current law. Reduces the appropriation referred to in subs. (1) to \$800,000 to match the line item appropriation in Part 1.



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section authorizes the Department to expend revenues received under the Hospital Finance Authority Act for operational expenses and for grants to the Civil Service Commission and State Employees' Retirement Fund and requires the Department to maintain accounting records.

Sec. 934. The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund. The department of treasury shall maintain accounting records in sufficient detail to enable the hospital clients to be reimbursed periodically for fees that are determined by the department of treasury to be surplus to needs.

Sec. 934. Retains current law.

This section authorizes the Department to expend revenues received under the Shared Credit Rating Act for operational expenses and for grants to the Civil Service Commission and State Employees' Retirement Fund.

Sec. 935. The department of treasury may expend revenue received under the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 935. Retains current law.



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section authorizes the Department to expend revenues received under the Higher Education Facilities Authority Act for operational expenses and for grants to the Civil Service Commission and State Employees' Retirement Fund and requires the Department to maintain accounting records.

Sec. 936. The department of treasury shall establish a separate account for the funds related to the Michigan higher education facilities authority. The department of treasury may expend revenue received under the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund. The department of treasury shall maintain accounting records in sufficient detail to enable the educational institution clients to be reimbursed periodically for fees that are determined by the department to be surplus to needs.

Sec. 936. Retains current law.

This section authorizes the Department to expend revenues received under the Michigan Public Educational Facilities Authority for operational expenses and for grants to the Civil Service Commission and State Employees' Retirement Fund.

Sec. 937. The department of treasury may expend revenues received under the Michigan public educational facilities authority, Executive Order No. 2002-3, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 937. Retains current law.



GENERAL GOVERNMENT – Boilerplate

HOUSE FISCAL AGENCY	FY 2006-07 CURRENT LAW	FY 2007-08		
		EXECUTIVE	SENATE	HOUSE
<p><i>This section expresses legislative intent that the State Treasurer give consideration to investments in early stage, university derived life science companies located in Michigan, or investments in venture capital funds that invest in those companies.</i></p> <p>Sec. 939. It is the intent of the legislature that the state treasurer, acting within his or her capacity as the investment fiduciary for public employee pension funds and consistent with 1965 PA 314, MCL 38.1132 to 38.1140m, give appropriate consideration to investments in early stage, university derived life science companies located in Michigan, or investments in venture capital funds that invest in those companies to the extent those investments offer the safety and rate of return comparable to other investments permitted and available at the time the investment decision is made.</p>		<p>Sec. 939. Modifies current law. Deletes "It is the intent of the legislature that"; adds "may" after "38.1140m,".</p>		
<p><i>This section appropriates up to \$570,000 from standardized audit schedules recovered revenues for support of project expenses and requires that funding shall be used exclusively for business tax audits related to sales tax, use tax, withholding, single business tax, and motor fuel tax obligations.</i></p> <p>Sec. 941. In addition to the funds appropriated in part 1, there is appropriated up to \$570,000.00 from standardized audit schedules recovered delinquent tax collection revenues for the support of standardized audit schedule project expenses. The funding shall be used to exclusively support business tax audits related to sales tax, use tax, withholding, single business tax, and motor fuel tax obligations. Any unexpended funds at the end of the fiscal year shall lapse to the general fund.</p>	Strikes current law.			
<p><i>This section prohibits department from printing complete social security numbers on 1099 mailings.</i></p> <p>Sec. 943. The department of treasury shall not include complete social security numbers in form 1099-G mailings to taxpayers.</p>	Strikes current law.			



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section allows the department's assessment and certification division to conduct 14-point reviews in at least one assessment jurisdiction per county.

Sec. 945. The assessment and certification division of the department of treasury may conduct a review of local unit assessment administration practices, procedures, and records, also known as the 14-point review, in at least 1 assessment jurisdiction per county.

Strikes current law.

This section allows the state tax commission and assessment and certification management staff to meet with statewide assessment organizations on a quarterly basis to coordinate activities.

Sec. 946. Members of the state tax commission and management level staff of the assessment and certification division may meet with statewide assessment organizations on a quarterly basis for the purpose of coordinating assessment and training activities. Recertification and training activities may be conducted at regional locations chosen to maximize participation of local officials.

Strikes current law.

This section requires that of the \$6.6 million in part 1 for Revenue Enhancement Program, \$5.8 million shall be used for revenue enhancement collection, including auditing functions, and \$750,000 for principal residence audits. With the exception of current contracts, the \$5.8 million shall fund activities performed by state employees only. Requires quarterly progress reports for personal property tax audit and principal residence audit programs; requires a joint General Government Subcommittee hearing regarding personal property tax audits. Requires a legislative Auditor General performance audit of the principal residence audit program.

Sec. 947. (1) Of the \$5,856,800.00 included in part 1 for the revenue enhancement program, \$5,356,800.00 shall be used for revenue collection enhancement activities including auditing functions.

Sec. 940. Modifies current law.
(1) Adjusts amounts to reflect appropriations in Part 1.



GENERAL GOVERNMENT – Boilerplate

FY 2006-07 CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

(2) The department of treasury shall submit quarterly progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits funded under subsection (1). The report shall include the number of audits, revenue generated, and number of complaints received by the department related to the audits.

(3) The \$500,000.00 balance of the \$5,856,800.00 shall be used for the principal residence exemption compliance program. Along with other program costs, expenditures shall include the development of a statewide web-based database created for the purpose of enforcing the principal residence exemption compliance program. The department shall submit quarterly progress reports that include the number of exemptions denied and the revenue received under this program. The legislative auditor general shall complete a performance audit of the principal residence exemption compliance program prior to April 1, 2007. Revenue generated to the state from the principal residence exemption compliance program shall be used to reimburse the state general fund for the \$500,000.00 appropriation prior to any other allocation. Additional funds from the revenue enhancement program and carryforward appropriations may be used to support costs in excess of \$500,000.00.

(4) Unexpended appropriations of the revenue enhancement program are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL18.1451a: (a) The purpose of the project is to enhance revenue collection activities. (b) The project will be accomplished by contract. (c) The total estimated cost of the project is \$24,600,000.00. (d) The tentative completion date is September 30, 2009.

Strikes subs. (2).

Strikes "Along with other program costs, expenditures shall include the development of a statewide web-based database created for the purpose of enforcing the principal residence exemption compliance program. The department shall submit quarterly progress reports that include the number of exemptions denied and the revenue received under this program. The legislative auditor general shall complete a performance audit of the principal residence exemption compliance program prior to April 1, 2007."

Retains subs. (4).



GENERAL GOVERNMENT – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

This section directs the department to report the number of tax returns, including state income and single business tax returns, filed on-line in the preceding tax year.

Sec. 948. By December 15, the department of treasury shall report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies the number of tax returns, to include state income tax returns and single business tax returns, filed online by Michigan residents in the immediately preceding fiscal year.

Strikes current law.

This section directs the department to develop a plan for individual income tax form check-off initiatives that includes a process to determine legal and operational feasibility of proposed check-offs.

Sec. 949. The department of treasury shall develop a plan for individual income tax form check-off initiatives. The plan shall be implemented beginning with the 2006 tax year. The plan shall include a process for determining the legal and operational feasibility of each proposed income tax form checkoff. The department shall submit the plan to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by October 31, 2006.

Strikes current law.

NEW LANGUAGE

Sec. 941. (1) The funds appropriated in part 1 for local public safety grants shall be distributed to cities, villages, and townships eligible under this section for state financial support of local law enforcement and fire protection services.



GENERAL GOVERNMENT – Boilerplate

FISCAL AGENCY	FY 2006-07 CURRENT LAW	FY 2007-08		
		EXECUTIVE	SENATE	HOUSE
		<p>(2) Funds appropriated in part 1 for local public safety grants shall not be expended unless bill request number ____ is enacted into law to increase liquor license fees under section 543 of the Michigan liquor control code, 1968 PA 58, MCL 436.1543.</p> <p>(3) Funding shall be distributed to cities, villages, and townships based on the most recently available annual prison intake data from the department of corrections and the number of prisoners residing in a city, village, or township prior to incarceration.</p> <p>(4) A grant award under this section shall be a minimum of \$100,000.</p>		
<u>REVENUE SHARING</u>	<p><i>This section requires a reduction in the amount appropriated for statutory revenue sharing to townships, cities, and villages equal to the amount of additional constitutional revenue sharing payments made pursuant to Article IX, section 10 of the Michigan Constitution.</i></p> <p>Sec. 950. (1) Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to townships, cities, and villages on a population basis as specified by law. The appropriation in part 1 for statutory state general revenue sharing grants to townships, cities, and villages shall be reduced by an amount equal to any additional constitutional revenue sharing appropriations authorized in this section.</p>	<p>Sec. 950. Retains current law.</p>		



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(2) The appropriation in part 1 for statutory state general revenue sharing grants shall be distributed according to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. Undistributed funds shall lapse to the general fund.

This section requires appropriations for special grants to cities to be used to restore revenue sharing reductions contained in Executive Order 2003-23 to cities which had an emergency financial manager appointed to them.

Sec. 952. The appropriation in part 1 for special grants to cities shall be used to restore revenue sharing reductions contained in Executive Order No. 2003-23 to a city that had an emergency financial manager appointed pursuant to the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291, continuously from December 10, 2003 through September 30, 2007.

Sec. 952. Modifies current law. Updates fiscal year.

This section appropriates to counties amounts pursuant to the Glenn Steil State Revenue Sharing Act adjusted by the inflation rate and reduced by the amount each county is authorized to annually expend in the county's fiscal year from its revenue sharing reserve fund.

Sec. 955. (1) There is appropriated to each county an amount equal to the amount distributed to each county for the fiscal year ending September 30, 2004, pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, adjusted by the inflation rate as defined in section 34d of the general property tax act, 1893 PA 206, MCL 211.34d, and reduced by the amount each county is authorized to annually expend in that county's fiscal year beginning after September 30, 2004, from its revenue sharing reserve fund pursuant to section 44a of the general property tax act, 1893 PA 206, MCL 211.44a.

(2) The department of treasury shall annually certify to the state budget director the amount each county is authorized to expend from its revenue sharing reserve fund.

Sec. 955. Retains current law.



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This section appropriates funding for special census revenue sharing payments to eligible cities, villages, and townships that are certified to be eligible under the Glenn Steil Revenue Sharing Act of 1971.

Sec. 956. The department of treasury shall transmit special census revenue sharing payments to eligible cities, villages, and townships under the Glenn Steil revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

Strikes current law.

NEW LANGUAGE

Sec. 956. (1) The funds appropriated in part 1 for local government collaborative efforts shall be distributed to cities, villages, and townships that achieve greater efficiencies in the delivery of essential public services.

(2) Not more than \$250,000.00 of the amount appropriated in part 1 for local government collaborative efforts shall be expended for community partnership grants awarded through the centers for regional excellence program.

(3) In order to be eligible for funding under this section, a city, village, or township shall participate in activities that result in shared services, mergers, or consolidation with other governmental entities.



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		<p>(4) The governing body of a city, village, or township shall be awarded funding upon demonstration to the department of treasury that regional cooperative agreements have been implemented in a form and in a manner approved by the department.</p> <p>(5) The department shall calculate an amount for each city, village, or township based on the formulas under section 13(8), (9), and (10) of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.913.</p> <p>(6) Any unexpended and unencumbered funds remaining for the fiscal year ending September 30, 2008, shall be deposited to the state general fund.</p>		
<p><u>LOTTERY</u></p> <p><i>This section authorizes lottery revenues to be used to fund implementation and operation of lottery games, payments for vendor commissions, payments for instant tickets intended for resale, costs of providing and maintaining an on-line communications network, and incentive and bonus payments to be made to lottery retailers.</i></p> <p>Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from lottery revenues the amount necessary for, and directly related to, implementing and operating lottery games. Appropriations under this section shall only be expended for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the on-line system communications network, and incentive and bonus payments to lottery retailers.</p>	<p>Sec. 960. Retains current law.</p>			



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HOUSE FISCAL AGENCY	GENERAL GOVERNMENT – Boilerplate			
	FY 2006-07 CURRENT LAW	FY 2007-08		
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<p><i>This section prohibits funding from being used for promotional efforts directed towards individuals less than 18 years of age.</i></p> <p>Sec. 961. The funds appropriated in part 1 to the bureau of state lottery shall not be used for any promotional efforts directed towards individuals who are less than 18 years of age.</p>		Sec. 961. Retains current law.		
<p><i>This section prohibits funding from being used for associating professional or amateur athletes with the lottery or its products, but authorizes Bureau of State Lottery to use NASCAR drivers in conjunction with promotion of instant ticket products and requires a report which details revenue generated, cost of obtaining the use of drivers, administrative costs, and net revenue deposited into the state School Aid Fund.</i></p> <p>Sec. 962. (1) The funds appropriated in part 1 to the bureau of state lottery shall not be used to directly or indirectly associate professional or amateur sports figures with the lottery or its products.</p>		Strikes current law.		
<p>(2) The prohibition in subsection (1) does not apply to the use of NASCAR drivers in conjunction with the promotion of instant ticket products. By November 1, 2006, the bureau of state lottery shall provide a report detailing the amount of revenue generated under this subsection to the senate and house of representatives standing committees on appropriations subcommittees on general government. The report shall include the cost of obtaining the use of NASCAR drivers, other administrative costs, and net revenue deposited in the state school aid fund.</p>				
<p><i>This section requires the Bureau of State Lottery to notify lottery retailers that DHS bridge cards are not to be used to purchase lottery tickets.</i></p> <p>Sec. 963. The bureau of state lottery shall inform all lottery retailers that the cash side of department of human services bridge cards cannot be used to purchase lottery tickets.</p>		Strikes current law.		



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CASINO GAMING

This section appropriates \$2.0 million of annual assessment revenues collected by the Michigan Gaming Control Board to the Compulsive Gaming Prevention Fund.

Sec. 971. From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.212a.

Sec. 971. Retains current law.

This section authorizes appropriations to pay for costs incurred for casino gaming oversight activities.

Sec. 972. In addition to the funds appropriated in part 1, funds distributed by the Michigan gaming control board to the department of treasury for oversight of casino gaming are appropriated upon receipt. These funds may be used to pay for costs incurred for casino gaming oversight activities.

Sec. 972. Retains current law.

This section authorizes funding for local government programs to be used to assist local revenue sharing boards, requires local revenue sharing boards to comply with the Open Meetings Act and Freedom of Information Act, authorizes county treasurers to receive and administer revenues on behalf of local revenue sharing boards, authorizes the Directors of State Police and the Michigan Gaming Control Board to assist local revenue sharing boards with allocating funds to local public safety organizations, and requires the Department to provide a report on the receipt and distribution of revenues.

Sec. 973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497, 102 Stat. 2467.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

Sec. 973. Retains current law.



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(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) The director of the department of state police and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(5) The department of treasury shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distribution of revenues by local revenue sharing boards.

This section specifies that if revenues collected in the State Services Fee Fund are less than amounts appropriated from the fund, available revenues shall be used first to fully fund casino gaming regulation activities and requires any remaining shortfalls to be distributed proportionally among departments which receive State Service Fee Fund appropriations.

Sec. 974. If revenues collected in the state services fee fund are less than the amounts appropriated from the fund, available revenues shall be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall shall be distributed proportionally among those departments and agencies.

Sec. 974. Retains current law

Michigan Strategic Fund

The Executive adds boilerplate language concerning the MSF. Sections 1001 – 1021. See separate decision document for the MSF.



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REVENUE STATEMENT

This section lists fund balances and estimated revenues by operating fund for the current fiscal year.

Sec. 1101. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS
(Amounts in millions)
Fiscal Year 2004-2005

	Fund #	Beginning Unreserved Fund Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS				
General Fund/General Purpose	0110	136.7	9,020.4	0.0
General Fund/special purpose		478.7	15,297.5	662.7
Special Revenue Funds:				
Countercyclical budget and economic stabilization	0111	2.0	0.1	2.1
Game and fish protection	0112	18.9	63.2	4.0
Michigan employment security act administration	0113	0.0	123.4	4.1
State aeronautics	0114	1.4	182.3	0.0
Michigan veterans' benefit trust	0115	0.0	4.9	0.0
State trunkline	0116	0.0	1,200.1	0.0
Michigan state waterways	0117	14.9	25.5	7.6
Blue Water Bridge	0118	0.0	16.3	0.0
Michigan transportation Comprehensive	0119	0.0	2,080.2	0.0
transportation	0120	4.0	158.8	0.0
School aid	0122	93.8	13,022.9	0.0
Marine safety	0123	1.0	5.0	0.0

Sec. 1101. Modifies current law; adjusts fund balance amounts.



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Game and fish protection trust	0124	6.0	12.0	6.0			
State park improvement	0125	3.6	41.5	0.0			
Forest development	0126	11.7	30.3	4.1			
Michigan civilian conservation corps endowment	0128	0.3	6.0	0.0			
Michigan natural resources trust	0129	34.1	54.7	30.8			
Michigan state parks endowment	0130	10.9	16.2	7.8			
Safety education and training	0131	4.9	7.1	2.6			
Bottle deposit	0136	0.0	18.5	0.0			
State construction code	0138	5.7	10.2	0.0			
Children's trust	0139	1.3	3.3	2.3			
State casino gaming	0140	16.2	32.0	1.2			
Homeowner construction lien recovery	0141	4.4	1.6	2.8			
Michigan nongame fish and wildlife	0143	0.3	0.5	0.0			
Michigan merit award trust	0154	9.5	286.6	0.0			
TOTALS		\$860.3	\$41,721.1	\$738.1			